



Table 5. State rankings, teacher compensation as percentage of instructional spending, 2002-03 school year.

The U.S. Department of Education tells us that more than three-fifths of all education spending is spent on instruction. Politicians of all political stripes demand that administrative spending be reduced and more money reach the classroom. But what does that mean? When money gets sent to the classroom, how is it spent? Table 5 takes the instructional spending figures for each state for 2002-03 and determines what percentage goes toward the salaries and benefits of instructional personnel. We can therefore infer that the remainder is what is spent on books and supplies.

No state (DC is an exception) spends less than 83 percent of its instructional revenues on compensation for teachers and teacher aides. When we compare the rankings of Table 5 with the per-pupil spending rankings we can draw some broad conclusions about certain states. Indiana, for example, ranks 22nd in per-pupil spending, but 96.84 percent of its instructional spending is devoted to teacher compensation. While people can differ about the total amount Indiana devotes to education, it is clear that the money it does spend is overwhelmingly devoted to its teaching force.

It seems obvious that states with low per-pupil spending, like Utah, Louisiana and Idaho, appear in the top half of this list in an effort to be as competitive as possible when it comes to attracting and retaining classroom teachers.

When one finds a high-paying, high-spending state such as New Jersey at the bottom of the list, one can reasonably assume that its teacher salaries are high enough to fill available slots, allowing excess instructional funds to be devoted to books and supplies. For other states on the list, these rankings may express conscious decisions to invest in people rather than things, or vice versa.



Table 5. State rankings, teacher compensation as percentage of instructional spending, 2002-03 school year (Derived from Table 6 – Public Education Finances 2003, US Census Bureau, March 2005)

U.S. 90.03%					
1)	Indiana	96.84	27)	Connecticut	90.11
2)	Rhode Island	96.75	28)	North Carolina	90.08
3)	West Virginia	94.74	29)	Oregon	90.04
4)	Maryland	94.38	30)	California	89.63
5)	Iowa	93.98	31)	South Dakota	89.53
6)	Georgia	93.39	32)	Missouri	89.43
7)	Wisconsin	93.35	33)	Texas	89.24
8)	Virginia	93.34	34)	Oklahoma	89.19
9)	Michigan	92.69	35)	Alabama	89.11
10)	Utah	92.59	36)	Nevada	88.89
11)	Kentucky	92.56	37)	Colorado	88.64
12)	New Mexico	92.38	38)	Maine	88.61
13)	Louisiana	92.09	39)	New Hampshire	88.56
14)	South Carolina	91.97	40)	Pennsylvania	88.44
15)	Idaho	91.92	41)	Tennessee	87.77
16)	Minnesota	91.83	42)	Massachusetts	87.58
17)	Illinois	91.52	43)	Arkansas	87.15
18)	Delaware	91.46	44)	Nebraska	86.95
19)	North Dakota	91.17	45)	Alaska	86.02
20)	Washington	90.56	46)	New Jersey	86.01
21)	Mississippi	90.52	47)	Vermont	85.05
22)	Hawaii	90.38	48)	Montana	84.64
23)	Wyoming	90.29	49)	Florida	83.91
24)	Arizona	90.26	50)	Kansas	83.36
25)	Ohio	90.25	51)	District of Columbia	77.52
26)	New York	90.20			